

- 11 -

3.4 It is agreed that Amcell may utilize employees of Affiliates in providing the services hereunder.

IV. Cellular Service:

4.1 During the term provided in Section 5.2 of this Agreement and subject to the terms and provisions hereof, Licensee agrees to provide cellular radio Service to Authorized Users of Amcell when within the range of cell sites located within the MSA.

4.2 Service is subject to system capacity limitations, transmission limitations caused by atmospheric and similar conditions and the failure of interconnecting facilities outside the control of Licensee, and service may be temporarily interrupted or curtailed due to equipment modifications, upgrades, relocations, repairs and similar activities necessary for proper or improved Service.

4.3 Licensee will provide Access Numbers to Amcell when requested by Amcell. Access Numbers provided to Amcell will not be activated until notification is received from Amcell. Subject to the services provided by Amcell pursuant to Article II hereof, Licensee will activate service for an Access Number within twenty-four (24) hours of Amcell's request. A service activation fee will be charged.

4.4 As a wholesale customer of Licensee's Service hereunder, Amcell shall receive the following discounts from Licensee's established activation fees, monthly access charges and per-minute usage charges:

Number of AMCELL Units
On Licensee's System

Discount

1-499	-0-
500-749	20%
750 and beyond	33-1/3%

In any event, the activation fees, monthly access charges and per-minute usage charges to Amcell hereunder shall be the most favorable (lowest such) fees charged by Licensee to any other of Licensee's wholesale customers. Subject to the foregoing, Licensee will have the right to adjust its fees at any time subject to giving thirty (30) days advance written notice thereof to Amcell. As the operator of the Switch, Amcell shall pay directly all charges of all other carriers for handling traffic of Amcell's Authorized Users.

4.5 (a) Amcell is charged by Licensee for Airtime Usage when calls are originated and when calls are received to its Authorized Users' Access Numbers.

(i) Chargeable time for calls originated by a mobile radio unit using the Service begins when a connection is established to the Licensee's facilities, and ends when the mobile radio unit disconnects.

(ii) Chargeable time for calls received by a mobile radio unit using the Service begins when the call is answered and ends when the mobile radio unit disconnects.

When a connection is established in one rate period and ends in another, the rate in effect for each period applies to the portion of the connection occurring within each rate period.

(b) The prices charged Amcell by Licensee do not include any amounts resulting from taxes, fees, or exactions imposed by

or for any municipal corporation or other political subdivision or agency of government relating to the provision of the Service and against Licensee, its property or its operations, excepting only taxes imposed generally on corporations. The amounts resulting from such taxes, fees, or exactions imposed against Licensee, its property, or its operations excepting only taxes imposed generally on corporations, shall be billed pro rata based upon all users of Service on the System.

(c) Pursuant to Article II hereof, a magnetic tape will be provided monthly by Amcell to Licensee. The tape will identify detail usage for each Access Number.

4.6 A. Use of Service by Amcell:

(i) Service is furnished for use by Amcell and its Authorized Users.

(ii) An Access Number may not appear in more than one mobile radio unit.

(iii) Orders, including those which involve the activation, change, or the discontinuance of Service, will be accepted by Licensee for implementation by Amcell pursuant to Article II hereof.

(iv) Service provided herein may be resold subject to applicable state and/or federal regulation.

B. Abuse and Fraudulent use:

(i) Service shall not be used to make foul or profane expressions, to impersonate another person with fraudulent or malicious

intent, to call another person so frequently or at such times of day or in any other manner so as to annoy, abuse, threaten, or harass such other person, or for any unlawful purpose.

(ii) Service shall not be used in such a manner as to interfere unreasonably with the use of the Service by one or more other customers.

C. Amcell will pay directly all toll charges resulting from the origination of mobile calls by Amcell's Authorized Users to points outside of the MSA. These charges are in addition to the charge for usage.

D. Amcell has no property right in the telephone numbers (Access Numbers) associated with its Authorized Users' mobile radio units. Licensee reserves the right to assign, designate or change such numbers when reasonably necessary in the conduct of its business.

4.7 Limits of Liability:

A. Because Licensee has no control of the communications utilizing the Service, and because of the unavailability of errors incident to the use of the Service, the Service furnished by Licensee is subject to the terms, conditions and limitations herein specified.

LICENSEE MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, CONCERNING THE FACILITIES OR THE SERVICES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. IT IS INTENDED BY THE PARTIES THAT

THIS SECTION SHALL APPLY TO AMCELL AND ANY OF AMCELL'S AUTHORIZED USERS.

B. The Service furnished by Licensee in addition to the limitation set forth preceding, also is subject to the following limitation: the liability of Licensee for damages arising out of mistakes, omission, interruption, delays, errors or defects in transmission, or failures or defects in facilities furnished by Licensee occurring in the course of furnishing Service caused by the negligence of Amcell or Amcell's Authorized User, or of Licensee in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, shall in no event exceed an amount equivalent to the proportionate access charge to Amcell for the period of the service disruption.

Neither Amcell nor its Authorized User shall have any rights to consequential damages for reason of such mistakes, omission interruption, delay or error or defect in transmissions or failure or defect in transmission.

Licensee shall in no event be liable for interruption or delays in transmission, or errors or defects in transmission, or failure to transmit when caused by acts of God, fire, war, riots, act of Government or other causes beyond its control.

Amcell or its Authorized User agree, indemnify and save Licensee harmless for libel, slander, or infringement of copyright from the material transmitted over its facilities; against claims for infringement of patents arising from combining with, or used in connection with facilities of the Licensee, apparatus and systems of Amcell or its Authorized User; and

against all other third party claims arising out of any act or omission of Amcell in connection with facilities provided by Amcell.

V. General:

5.1 Definitions -- As used herein, unless the context otherwise requires, the following terms shall have the meanings set forth below:

"Access Number" shall mean a telephone number provided to Amcell by the Licensee and associated with Amcell's Authorized Users' mobile radio units, enabling use of the cellular System.

"Affiliate" shall mean any Person that, directly or indirectly, alone or through one or more intermediaries, controls, is controlled by or is under common control with a Party.

"Agreement" shall mean this Agreement entered into between Licensee and Amcell.

"Airtime Usage" shall mean a period of time, measured in minutes, which Amcell or its authorized user uses the cellular System.

"Application" shall mean the application, as amended from time to time, originally filed by Licensee (FCC File No. 14261-CL-P-134-A-86), which application was chosen by the FCC as the Tentative Selectee for authorization to construct the System.

"Authorized User" shall mean a Person that is authorized by Licensee to use the Service.

"Budget" shall have the meaning provided in Section 1.8 of the Agreement.

"Construction Permit" shall mean the FCC authorization to construct the System.

"Design" shall mean the final equipment design and configuration and specifications for the System based upon the Outline System Configuration.

"FCC" shall mean the Federal Communications Commission.

"Final Order" shall mean an action by the FCC or a State regulatory agency as to which: (i) no request for stay by the FCC or State agency, as applicable, the action is pending, no such stay is in effect, and, if any deadline for filing any such request is designated by statute or regulation, it has passed; (ii) no petition for rehearing or reconsideration of the action is pending before the FCC or State agency, as applicable, and the time for filing any such petition has passed; (iii) the FCC or State agency, as applicable, does not have the action under reconsideration on its own motion and the time for such reconsideration has passed; and (iv) no appeal to a court, or request for stay by a court of the FCC's or State agency's, as applicable, action is pending or in effect, and if any deadline for filing any such appeal or request is designated by statute or rule, it has passed.

"Grant" shall mean issuance by Final Order.

"Independent Contractor" shall mean a Person unaffiliated with Amcell who is capable of providing services pursuant to this Agreement.

"MSA" shall mean the Atlantic City, New Jersey Metropolitan Statistical Area.

"Operating License" shall mean FCC authorization to operate the System.

"Outline System Configuration" shall have the meaning provided in Section 1.1 of the Agreement.

"Out-of-Pocket Expenses" shall have the meaning provided in Section 3.3 of the Agreement.

"Party" shall mean a signatory to the Agreement or its assignees or successors.

"Peak Usage Period" shall be

1. 7:00 a.m. to 8:00 p.m. Monday through Friday.

"Person" means any general partnership, limited partnership, corporation, joint venture, trust, business trust, governmental agency, cooperative, association, individual or other entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such person as the context may require.

"Service" shall mean a service which utilizes the System's cellular radio technology to provide telecommunications between a cellular mobile radio unit and a landline telephone station or between two mobile radio units.

"Switch" shall mean the cellular telephone switch supplied by Motorola, Inc. and located at Southgate Industrial Center, 65 Southgate Boulevard, New Castle, Delaware 19720.

"System" shall mean the cellular communications system operating on Frequency Block A in the MSA.

5.2 The term of this Agreement shall commence on the date hereof and shall terminate on the fifth anniversary of the date that the System commences public service. At least six months prior to such termination, the Parties shall confer regarding the possible renewal of this Agreement on mutually acceptable terms and conditions.

5.3 The Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

5.4 Amcell shall not be liable to Licensee or the System for any loss arising out of any action taken or omitted to be taken except if such act or omission constituted willful misconduct or gross negligence on the part of Amcell. Neither Amcell nor Licensee shall have any liability for failure to comply with the Agreement if such failure results from the occurrence of any contingency beyond the reasonable control of the party.

5.5 All notices or other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, address to the following:

If to Licensee:

Ellis Thompson
5406 North Missouri Avenue
Portland, Oregon 97217

With a Copy to:

Stuart F. Feldstein, Esquire
Fleischman and Walsh, P.C.
1725 N Street, N.W.
Washington, D.C. 20036

If to Amcell:

Amcell of Atlantic City, Inc.
Bayport One, Suite 400
Verona Boulevard
West Atlantic City, New Jersey 08232
Attn: Mr. John F. Scarpa
President

With a Copy to:

William S. Clarke, P.A.
105 College Road East
Forrestal Center
Princeton, New Jersey 08540

5.6 Nothing in the Agreement shall be construed to render Amcell and Licensee partners or joint venturers or to impose upon any of them any liability as such.

5.7 The Agreement constitutes the entire understanding between and among the Parties and supersedes any prior understandings respecting the subject matter thereof.

5.8 The Agreement shall not be changed, waived, released or discharged except by a writing signed by an officer or authorized representative of each of the Parties.

5.9 The Agreement shall be binding upon and inure to the benefit of the Parties, their successors and legal assigns.

5.10 The Parties shall execute and deliver such further instruments and perform such further acts as may reasonably be required to carry out the intent and purposes of this Agreement.

5.11 Nothing herein shall be construed to be to the benefit of or enforceable by any third party.

5.12 All article, section and paragraph titles or captions contained in the Agreement are for convenience only and shall not be deemed part of the text of the Agreement.

5.13 All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the context may require.

5.14 The Agreement may be signed in any number of counterparts, each of which shall be an original for all purposes, but all of which taken together shall constitute only one agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date hereinabove indicated.

AMCELL OF ATLANTIC CITY, INC.

By: John Scarpa
President

Ellis Thompson
Ellis Thompson

ELLIS THOMPSON CORPORATION

By: Ellis Thompson
Ellis Thompson
President

American Cellular Network Corp. hereby guarantees payment and performance of all obligations of Amcell of Atlantic City, Inc. under the foregoing Agreement.

AMERICAN CELLULAR NETWORK CORP.

By: _____

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date hereinabove indicated.

AMCELL OF ATLANTIC CITY, INC.

By: 

John Scarpa
President

Ellis Thompson

ELLIS THOMPSON CORPORATION

By: _____

Ellis Thompson
President

American Cellular Network Corp. hereby guarantees payment and performance of all obligations of Amcell of Atlantic City, Inc. under the foregoing Agreement.

AMERICAN CELLULAR NETWORK CORP.

By: 

AM 144283

SCHEDULE A
OUTLINE SYSTEM CONFIGURATION

The Atlantic City Cellular System has been configured with the following criteria:

- to provide maximum coverage throughout the Atlantic City MSA

- the ability to immediately overlap with adjacent Motorola Systems to provide uninterrupted regional cellular telephone service

- the ability to be easily and cost effectively integrated into the non-wireline cellular network serving the region adjoining the Atlantic City MSA

In that regard, the system will be constructed as follows:

- 4 cell sites strategically located to provide reliable coverage along all major traffic routes to casino, beach, resort, and marine areas

- with planned overlaps to the adjacent Motorola System controlled by the Philadelphia Switch. These overlaps will occur with cell sites located in Camden, Burlington and Gloucester Counties, New Jersey

- cell site equipment and antennas will be located at existing towers/tall buildings to minimize costs and construction time

To minimize leased line charges from the Atlantic City MSA Cell Sites to the Wilmington Switch, which will process all calls, the voice and data links will be "hubbed" or combined at one of the Atlantic City MSA Cell Sites. At this point, the data

will be sent to the adjacent Salem County Cell Site via microwave and into the existing Wilmington Cellular Communications Network for switch processing. The distance between the sites is less than 20 air miles and is an ideal microwave path.

Since the Motorola "DMX" feature, which permits inter system roaming, automatic completion of calls on a wide area basis, and customer validation has already been fully implemented in Wilmington and Philadelphia; there will be no additional hardware, software or communications' link costs to the Atlantic City System. Thus, the Atlantic City System will automatically become part of the wide area Delaware Valley non wireline cellular system, a feature which the wireline carrier BAMS cannot yet offer.

AMENDMENT NO. 1 TO THE
AGREEMENT

THIS AMENDMENT NO. 1 is made on September 8, 1988 between AMCELL OF ATLANTIC CITY, INC., a New Jersey corporation ("Amcell"), having an office at One Belmont Avenue, Bala Cynwyd, Pennsylvania 19004, ELLIS THOMPSON, an individual, and ELLIS THOMPSON CORPORATION, (collectively "Licensee"), with an address at 3406 North Missouri Avenue, Portland, Oregon 97217. All capitalized terms used in this Amendment No. 1 (the "Amendment") that are defined terms in the agreement dated as of December 30, 1987 between the parties herein shall have the same meaning ascribed to them therein unless otherwise specified herein.

WITNESSETH:

WHEREAS, Licensee entered into an agreement (the "Agreement") with Amcell dated as of December 30, 1987, whereby Amcell has agreed to construct, maintain and provide telephone switching services for the System; and

WHEREAS, Amcell is currently providing cellular communication services to approximately 1500 customers in the Atlantic City, New Jersey MSA pursuant to a Reseller Agreement with Bell Atlantic, the wireline licensee, which customers Amcell is willing to serve through the System; and

WHEREAS, Amcell has existing offices and facilities,

management, technical and marketing personnel, and an extensive network of sales agents in Atlantic and Cape May Counties, New Jersey; and

WHEREAS, Amcell is experienced in the management and operation of cellular communications systems and Licensee has requested Amcell to render supervisory services in connection with the management and operation of the System;

WHEREAS, the parties desire to amend the Agreement to provide that Amcell will manage and operate the System on the terms and conditions hereafter set forth and to provide that Amcell will not, as a reseller, solicit or serve new customers in Atlantic City.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. The definition of "Agreement" in Section 5.1 of the Agreement is hereby amended in its entirety to read as follows:

"Agreement" shall mean this Agreement entered into between Licensee and Amcell, as amended by Amendment No. 1 dated as of September 8, 1988.

2. The following definition is hereby added to Section 5.1 of the Agreement:

"Licensee" shall mean Ellis Thompson, Ellis Thompson Corporation or any entity which holds the Construction Permit or Operating License for the System.

3. Section 5.9 of the Agreement is hereby amended in its entirety to read as follows:

This Agreement shall be binding upon and inure to the

benefit of the parties, their successors and assigns. Licensee shall cause any successor or assign to assume Licensee's obligations hereunder, including Licensee's obligation to pay Amcell a management fee and disposition fee. This provision shall apply to successors or assigns to the System's assets, the Operating License and the Licensee's and other interest holders' equity.

4. The following section 5.15 is hereby added to the Agreement:

5.15. If any provision hereof is found by a court or agency of competent jurisdiction to be prohibited or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof.

5. The following Article IVA is added to the Agreement:

IVA. Management:

4A.1 Subject to Licensee's oversight and review, Amcell shall supervise and manage the development and operation of the System.

4A.2 Specifically, but without limitation, Amcell shall, subject to Licensee's continuing oversight and review, arrange for and supervise the performance of the following functions:

- (a) Interviewing, hiring, discharging and training personnel.
- (b) Establishing office and accounting procedures and administration thereof.
- (c) Establishing procedures for the replacement and expansion of the System.
- (d) Establishing procedures for hiring agents and dealers to install cellular communications equipment.
- (e) Preparing market surveys of Atlantic City, New Jersey from time to time, and on the basis thereof preparing and submitting to Licensee operating projections which will include: (i) a breakdown of foreseeable capital requirements for additional operating facilities; (ii) annual operating budgets; and (iii) cash flow analyses.
- (f) Preparing advertising and sales promotion programs, including newspaper, radio and other advertising, direct selling and special events activities, and, if applicable, coordinating all promotions with Amcell's promotions for Amcell's Long Branch, New Brunswick, Trenton and Wilmington systems.
- (g) Preparing monthly reports to Licensee regarding operations for the preceding month and also

regarding general developments in the cellular communications industry as they may affect the System's operations.

- (h) Subject to Licensee's review, approval and execution, completing and filing all reports, applications and other filings required to be made with the Federal Communications Commission.

4A.3 As compensation for such services, Amcell shall be entitled to a management fee, calculated and payable monthly, equal to 15% of "Gross System Revenues" during the initial term of this Article IV A and any renewals thereof. For purposes of the foregoing, "Gross System Revenues" shall include all charges billed to System users, including home, foreign and reseller users and all charges for equipment sold or licensed to third parties but shall not include "pass-through" revenues collected by the System in respect of charges for service rendered by other cellular telephone companies to System subscribers.

4A.4 Amcell shall be entitled to reimbursement for its reasonable out-of-pocket expenses incurred by Amcell in the management of the System. Operating and management expenses may include telephone, travel and copying charges and salaries of any full or part-time employees used in marketing, engineering and non-supervisory services to the extent required for the operation of the

System, but may not include reimbursements to Amcell for its own management salaries, corporate overhead, rent, leasehold or utilities expenses. Licensee shall pay such reimbursements to Amcell at the end of each month upon receipt of expense statements or vouchers for such expenses.

4A.5 Amcell may, upon Licensee's request, in connection with the operation of the System, render services or furnish facilities or equipment beyond the services required to be performed under this Agreement, such as billing, accounting and bookkeeping services. In such case, Amcell shall be entitled to be paid for such services, facilities or equipment in addition to compensation or reimbursement to be paid pursuant to any other provision of this Agreement at reasonable rates.

4A.6 Licensee shall bear any and all losses resulting from the operation of its business, and Amcell shall not, under any circumstances, be held liable therefor.

4A.7 The parties recognize that Amcell is engaged directly or through subsidiaries and affiliates in various cellular communications businesses, including providing cellular service to customers in Atlantic City as a reseller. Nothing herein shall be construed to prevent the continued involvement of Amcell or any of its subsidiaries or affiliates in providing cellular services as a reseller to its current customers in Atlantic City

or in other cellular communications businesses, whether such involvement now exists or occurs in the future. Amcell agrees that from the date hereof Amcell shall not solicit or serve as a reseller any new customers in Atlantic City.

4A.8 Other than in connection with a sale of the System's assets or Licensee's or other parties' equity interests in the System to Amcell or to a current equity holder, Amcell shall be paid a disposition fee equal to 10% of the sale price paid or payable to the Licensee plus any liabilities assumed by the purchaser in connection with the sale of the System's assets or Licensee's or other parties' equity interests in the System. The parties agree that Amcell shall act as the exclusive agent for any such transaction.

4A.9 The initial term of this Article IV.A shall commence on the date hereof and shall terminate on the tenth anniversary of the date that the System commences public service. Thereafter, Amcell shall have the options, upon six months prior written notice to Licensee in each instance, to extend the term of this Article IV.A for two additional five (5) year periods. At least six months prior to any termination, the parties shall confer regarding the possible renewal of management services on mutually acceptable terms and conditions.

- 6. Except as expressly set forth in this Amendment, the terms

and conditions of the Agreement shall remain in full force and effect without modification.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Management Agreement on the date first above written.

AMERICAN CELLULAR NETWORK CORP.

By: *Gene Shields*

President

Ellis Thompson
ELLIS THOMPSON

ELLIS THOMPSON CORPORATION

By: *Ellis Thompson*

President

AMENDMENT NO. 2

This AMENDMENT No. 2 is made on this 16TH day of June, 1989 between AMCELL OF ATLANTIC CITY, INC., a New Jersey corporation ("Amcell"), having an office at 1414 South Penn Square, 30th Floor, Philadelphia, Pennsylvania 19102-2408, ELLIS THOMPSON, an individual, and ELLIS THOMPSON CORPORATION, (collectively "Licensee"), with an address 5406 North Missouri Avenue, Portland, Oregon 97217. All capitalized terms used in this AMENDMENT No. 2 ("AMENDMENT") that are defined terms in the Agreement dated as December 30, 1987, as amended, between the parties herein shall have the same meaning ascribed to them therein unless otherwise specified herein.

WITNESSETH

WHEREAS, Licensee entered into an Agreement (the "December Agreement") with Amcell dated as of December 30, 1987, whereby Amcell agreed to construct, maintain and provide telephone switching services for the System; and

WHEREAS, Licensee entered into an Amendment No. 1 (the "Amendment 1"; the December Agreement as amended by Amendment 1 hereinafter the "Agreement") with Amcell dated as of September 8, 1988, whereby Amcell agreed to manage the System and to stop soliciting as a reseller any new customers in Atlantic City.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. Sections 4A.3 and 4A.4 of the Agreement are hereby amended

in their entirety to read as follows:

4A.3 As compensation for such services, Amcell shall be entitled to a Management Fee, calculated and prepared monthly, equal to 9% of "Gross System Revenues" during the initial term of this Article IV and any renewals thereof. For purposes of the foregoing Gross System Revenues shall include all charges billed to system users, including home, foreign and reseller users, including roamer and toll pass through revenues and all charges for equipment sold or licensed to third parties.

4A.4 Amcell shall be entitled to reimbursement for its reasonable out-of-pocket expenses incurred by Amcell in the management of the System. Operating and management expenses may include telephone, travel and copying charges and salaries of any full or part-time employees used in operating, marketing and engineering services to the extent required for the operation of the System, but may not include reimbursements to Amcell for its own management salaries, corporate overhead, rent, leasehold or utilities expenses. Licensee shall pay such reimbursements to Amcell at the end of each month upon receipt of expense statements or vouchers for such expenses.

2. The last sentence of Section 4A.7 of the Agreement is hereby amended in its entirety to read as follows:

Amcell agrees that from June 1, 1989, Amcell shall not solicit or serve as a reseller any new customers in Atlantic City.

3. Except as set forth in this Amendment, the terms and conditions of the Agreement remain in full force and affect without modification.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment No. 2 on the date first written above.

AMCELL OF ATLANTIC CITY, INC.

By: 

ELLIS THOMPSON CORPORATION

By: 

President

By: 

ELLIS THOMPSON